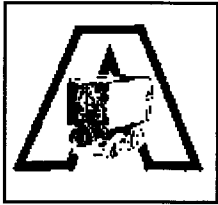
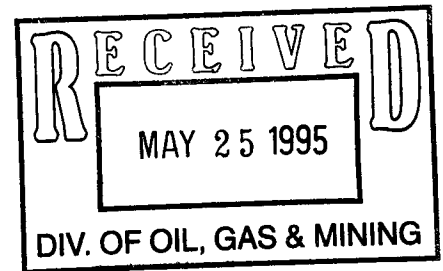


5/045/091



## AMERICAN CONSOLIDATED MINING CO.

70 West Canyon Crest Rd. Suite D, Alpine UT 84004  
Phone: (801) 756-1414 Fax: (801) 756-5454



May 23, 1995

D. Wayne Hedberg, Permit Supervisor  
Mineral Land Reclamation Program  
3 Triad Center Suite 350  
Salt Lake City, Utah 84180-1203

Dear Wayne,

Enclosed you will find an application for a small mine operation permit. It is our objective to re-open operations in the small mill located in gold hill. As you know this plant has been operated off and on for the last 100 years. In fact, the original steam power system is still located in the rafters of the mill. Currently the plant will process about 25 to 50 tons of ore per day. Our objective is to upgrade the plant to process 100-200 TPD (tons per day).

The ore will be mined under existing permit #E-045052 from the Herat patented claim area. The flow sheet for the mill will remain the same as always, ore will be crushed and ground and then separated by using a Wilfley table and floatation cells to make a concentrate. The concentrate will then be shipped to the Trail Smelter in Vancouver, B.C.

The plant has been designed to recycle mine water. The mill tailings area was approved by the water quality control people in 1990. If you have any other questions, please contact me at my office at (801) 756-1414. Thank you for your help in this matter.

Sincerely,

William D. Moeller, CEO & Chairman

WDM:ss

0001